

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

**MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2012**

DOCKET No. N2012-1

**UNITED STATES POSTAL SERVICE NOTICE OF FILING ERRATA TO
DIRECT TESTIMONY OF WITNESS NERI (USPS-T-4)
(March 5, 2012)**

The version of the Direct Testimony of Frank Neri on Behalf of the United States Postal Service (USPS-T-4) filed on December 5, 2011 contains errors in Figures 5 (page 13) and 8 (page 22).¹ In the response to Time Inc. Interrogatory TI/USPS-T4--1(a), the Postal Service indicated that it would correct the errors contained in Figures 5 and 8.² Replacement pages attached to this notice include corrected Figures 5 and 8, with revisions shown in gray highlighted text.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
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¹ Direct Testimony of Frank Neri on Behalf of the United States Postal Service, PRC Docket No. N2012-1 (December 5, 2011).

² Responses of United States Postal Service Witness Neri to First Set of Interrogatories of Time Inc. to United States Postal Service Witness Neri (TI/USPS-T4—1-5), PRC Docket No. N2012-1 (January 5, 2012).

The current operating plan creates a need for an excessive amount of mail processing equipment throughout the network for use during a relatively small operating window to meet overnight service standard commitments. Therefore, this equipment is utilized for only a portion of the total operational capacity. Relaxation of the overnight requirement would allow the Postal Service to effectively expand the current mail processing windows (see Figure 5).

Figure 5: Current Operating Plan

CURRENT OPERATING PLAN				
Category	Operation	Start	End	Hours
Letter	Cancellation	3:00 pm	9:30 pm	6.5
	Outgoing Primary	4:00 pm	11:00 pm	7.0
	Outgoing Secondary	8:00 pm	12:00 am	4.0
	Incoming Primary	2:00 pm	11:00 pm	9.0
	Delivery Point Sequence (DPS)	11:00 pm	7:00 am	8.0
Flat	Outgoing Primary/ Secondary	5:00 pm	11:00 pm	6.0
	Incoming Primary	2:00 pm	11:00 pm	9.0
	Incoming Secondary	11:00 pm	7:00 am	8.0
	Flats Sequencing System (FSS)	12:00 pm	6:00 am	18.0
Parcel/ Bundle	Outgoing Primary	5:00 pm	11:00 pm	6.0
	Incoming Primary	2:00 pm	11:00 pm	9.0
	Priority Outgoing	3:10 pm	10:30 pm	7.4
	Priority Incoming	5:00 pm	4:00 am	11.0
This is the Current Operating Plan of a typical plant.				

Figure 8: Proposed Operating Plan

PROPOSED OPERATING PLAN				
Category	Operation	Start	End	Hours
Letter	Cancellation	5:00 pm	12:00 am	7.0
	Outgoing Primary	5:30 pm	12:30 am	7.0
	Incoming Primary	8:00 am	12:00 pm	4.0
	Delivery Point Sequence (DPS)	12:00 pm	4:00 am	16.0
Flat	Outgoing Primary/ Secondary	5:00 pm	12:30 am	7.50
	Incoming Primary	8:00 am	2:00 pm	6.0
	Incoming Secondary	2:00 pm	4:00 am	14.0
	Flats Sequencing System (FSS)	12:00 pm	6:00 am	18.0
Parcel/ Bundle	Outgoing Primary	3:30 pm	12:00 am	8.50
	Incoming Primary	8:00 am	3:30 pm	7.50
	Priority Outgoing	3:30 pm	12:00 am	8.50
	Priority Incoming	8:00 am 11:00 pm	3:30 pm 4:00 am	12.5
This is the proposed operating plan for a typical P&DC/F.				

VI. Mail Processing Equipment and Material Repositioning

Currently, our state-of-the-art mail processing equipment (MPE) fleet consists of automated and mechanized equipment (see Figure 9) to support the letter, flats and parcels mail processing categories.

Due to the unprecedented decline in mail, it is imperative that the Postal Service reduce on-hand MPE (*i.e.*, equipment, supplies and spare parts) by repositioning and/or disposing of it. In accordance with Handbook AS-701, *Material Management*, serviceable equipment can be re-utilized within the Postal Service network, thus repositioned. Non-serviceable material must be properly disposed of thereby avoiding maintenance and storage while improving recovery of the initial investment. Investment recovery is a systematic, centralized organizational effort to manage excess equipment or material, and